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Ukraine

Grain and Feed

2002 Production Pre-finals and Grain Export Pace 2003

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Report Highlights:

Despite the impressive export pace to date, a lower wheat production estimate coupled with a tight domestic supply situation suggests that wheat exports in MY 2002/2003 will likely be lower than earlier expected.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

Ukraine's 2002 grain and pulse crop totaled 38.8 million tons (MMT). This was the second consecutive bumper grain crop in Ukraine. Despite high wheat exports prior to January 2003 due to expectations of an EU wheat import quota, the MY 2002/2003 wheat export estimate was reduced because of tight domestic supply and decreased exports after January 1, 2003. Barley exports will likely be lower than earlier estimated while corn and rye exports will increase.

Pre-finals on 2002 Grain Production

In early January 2003, the GOU released pre-finals on 2002 grain and pulse production. According to the State Statistics Committee of Ukraine, grain and pulse production (wheat, barley, corn, rye, oats, peas, buckwheat, millet, rice) totaled 38.8 MMT and is just 140,000 tons lower than the 2001 crop. (See Statistical Tables Section). Wheat, barley, corn, rye, and oat production estimates in the PSDs were adjusted to reflect the latest available official numbers. Remarkably, private household plots increased grain production in 2002 to 9.3 million tons from 8 million tons in 2001 due to both higher area and yields while the former collective farms decreased production.

Production estimates for 2001 were adjusted to reflect the final numbers published in Ukraine's Agricultural Statistics Yearbook.

Winter Grains

Ukraine will have a lower grain crop in 2003 as compared with the previous year. Winter grains area (chiefly winter wheat, rye and barley) in fall 2002 decreased to 8.4 million hectares as compared with 9.1 million hectares planted in fall 2001. Farmers are expected to utilize approximately 300,000-400,000 hectares of winter grain for green feed in spring 2002. The breakdown of winter wheat, rye and barley area by farm type in 2002 and 2001 is provided in the Statistical Tables Section.

Due to the unusually cold weather in December 2002 and the absence of snow cover, winterkill this season is going to be higher than last year. In addition to harsh weather, high losses are also explained by late plantings and poorly established winter grains in southern and southeastern Ukraine because of dry weather in fall 2002. So far, the major losses have befallen winter barley. Approximately 30% of all winter barley has already perished and will require re-sowing. Winterkill of barley last season was about 17%. Winter wheat and rye plantings have lesser damage as compared to barley due to higher frost resistance; however, wheat and rye losses this year will also be higher than during the 2001/2002 season. Winter wheat losses this year will likely be closer to 10% while 6% of winter wheat and 5% of winter rye were lost last season.

Exports

Stormy weather in November 2002 and icing of the Azov Sea failed to significantly slow down grain shipments out of Ukrainian ports. There have been minor interruptions in grain shipments since early-mid January 2003 as a result of stricter phytosanitary export certification procedures. These procedures were implemented in mid-January by the Ukrainian Phytosanitary Service as a result of a recent scandal related to Ukrainian wheat exported to Canada. The new procedures will not likely restrict grain exports in the future as traders are already aware of them and are following the new documentation requirements. The July-November 2002 monthly

country-specific export data for wheat, barley and corn is provided under the Statistical Section.

The estimate of wheat exports for MY 2002/2003 was reduced by 500,000 tons reflecting the lower production estimate and the tight domestic supply situation. Ukraine exported approximately 6.7 million tons of wheat in July 2002 - January 2003. The major explanation for such a rapid pace of wheat exports prior to January 2003 was the expected introduction of a wheat import quota mechanism by the EU. According to the most recent export information from the ports, wheat exports decreased after January 1, 2003. The current January 2003 wheat export estimate is 500,000 tons. Another reason for the lower MY 2002/2003 export estimate is the tight domestic supply situation. The internal price of milling quality wheat increased from UAH 475 per 1 MT (\$89/MT) in November 2002 to UAH 550 (\$104/MT) as of the beginning of February 2003. This most recent price increase brings the domestic milling wheat price close to the FOB price, causing traders to look to domestic sales rather than exporting.

The barley export estimate for MY 2002/2003 was reduced based on the slow pace of exports to date. Ukraine exported approximately the same quantity of barley in July 2002 - January 2003 as in the same period in MY 2001/2002 (2.2 MMT).

Corn exports increased based on higher production and active exports to date. Ukraine already exported approximately 400,000 MT in October 2002 - January 2003 as compared with 141,000 tons exported during the same period in MY 2001/2002.

The rye export estimate for MY 2002/2003 was also increased based on strong demand. Rye exports totaled an estimated 220,000 tons in July 2002-January 2003 as compared with 26,000 MT exported during the same period in MY 2001/2002. The export estimate for oats was reduced based on the low export pace to date. Only 4,000 tons were exported in July-November 2002.

MY 2001/2002 export and import estimates have been revised to reflect the official numbers.

Statistical Tables

Pre-finals on Grain and Pulse Production in Ukraine in 2002

Crop	1996-2000 year average	2001	2002	2002 compared with			
				1996-2000		2001	
				+, -	%	+, -	%
Harvested Area, 1,000 hectares							
All grains and pulses	12960.6	14654.5	14245.9	1285.3	109.9	-408.6	97.2
Including :							
Winter and spring wheat	5826.9	6882.3	6751.4	924.5	115.9	-130.9	98.1
Winter and spring rye	657.5	879.2	748.4	90.9	113.8	-130.8	85.1
Winter and spring barley	3571.0	3920.8	4153.0	582.0	116.3	232.2	105.9
Oats	519.1	558.9	497.7	-21.4	95.9	-61.2	89.0
Corn for grain	1036.6	1122.8	1189.0	152.4	114.7	66.2	105.9
Millet	237.9	251.3	105.5	-132.4	44.3	-145.8	42.0
Buckwheat	463.3	576.7	307.5	-155.8	66.4	-269.2	53.3
Rice	22.7	18.8	18.9	-3.8	83.3	0.1	100.5
Total production, 1,000 MT							
All grains (weight after cleaning and drying	27110.7	39706.1	38792.4	11681.7	143.1	-913.7	97.7
Including :							
Winter and spring wheat	14134.0	21348.5	20549.2	6415.2	145.4	-799.3	96.3
Winter and spring rye	1093.7	1822.5	1509.3	415.6	138.0	-313.2	82.8
Winter and spring barley	6459.8	10185.7	10358.0	3898.2	160.3	172.3	101.7
Oats	835.3	1115.7	942.1	106.8	112.8	-173.6	84.4
Corn for grain	3012.5	3640.7	4171.9	1159.4	138.5	531.2	114.6
Millet	259.5	266.5	111.6	-147.9	43.0	-154.9	41.9
Buckwheat	349.9	387.6	210.5	-139.4	60.2	-177.1	54.3
Rice	74.5	68.9	75.4	0.9	101.2	6.5	109.4

Source: State Statistics Committee of Ukraine

Winter Grain Plantings in 2002, 1,000 hectares

Crop	December-02	December-01
Winter wheat, total	6749.1	7199.6
Including:		
- Agricultural Enterprises	5696.8	6305.6
- Private Household Plots	1052.3	894.0
Winter rye, total	550.2	841.4
Including:		
- Agricultural Enterprises	441.1	741.5
- Private Household Plots	109.1	99.9
Winter barley, total	715.3	624.8
Including:		
- Agricultural Enterprises	602.8	545.5
- Private Household Plots	112.5	79.3

Data source: State Statistics Committee of Ukraine

Wheat PSD table

PSD Table						
Country	Ukraine					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	5161	5162	6900	6882	6800	6750
Beginning Stocks	1800	856	450	461	3695	3299
Production	10197	10197	21300	21349	21000	20550
TOTAL Mkt. Yr. Imports	686	686	75	75	100	100
Jul-Jun Imports	686	686	75	75	100	100
Jul-Jun Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	12683	11739	21825	21885	24795	23949
TOTAL Mkt. Yr. Exports	78	78	5486	5486	9000	8500
Jul-Jun Exports	78	78	5486	5486	9000	8500
Feed Dom. Consumption	1700	3000	2200	4000	3000	4200
TOTAL Dom. Consumption	12155	11200	12644	13100	13600	13500
Ending Stocks	450	461	3695	3299	2195	1949
TOTAL DISTRIBUTION	12683	11739	21825	21885	24795	23949

Wheat Exports From Ukraine in July-November 2002

Destination	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Jul-Nov 02
Spain	26,027	338,114	678,735	460,397	143,228	1,646,502
Israel	51,044	111,844	15,318	32,716	29,143	240,065
Tunisia	18,204	24,715	47,533	88,460	45,109	224,022
Belgium			35,574	65,444	119,207	220,226
Egypt		9,062	8,002	95,691	98,409	211,164
Portugal		48,908	5,375	37,333	105,074	196,691
Hungary		3,662	29,225	63,768	83,061	179,716
Morocco	16,653	32,460	18,700	26,050	78,134	171,998
Canada		43,043		29,990	91,659	164,692
Italy	5,974	21,902	17,476	44,711	63,655	153,718
Peru			662	88,471	62,623	151,756
South Korea		97,090		1,668	49,401	148,159
Brazil	10,465	7,624	101,375			119,465
Netherlands			4,777	96,774	12,137	113,688
Algeria	13,674	26,311	33,541	10,197	19,388	103,112
Mauritania		39,631		27,521		67,152
Korea			61,170			61,170
Greece		12,557	5,020	18,086	19,745	55,407
Indonesia					52,000	52,000
Nigeria		10,537	18,325	10,425		39,287
Belarus	24,499	4,856	4,396	1,199		34,951
Switzerland		4,341	24,458	4,378		33,177
Estonia	4,402	11,936	6,102	3,028	5,696	31,164
Germany			6,573	24,100		30,673
South Africa					26,753	26,753
Kenya			5,774	19,858		25,632
France				133	25,334	25,467
U.S.A		5,289	9,560	4,337	2,092	21,278
Luxembourg	2,700		14,459			17,159
Turkey		2,800	1,097	1,806	5,141	10,844
Libya			9,969			9,969
Japan		4,983			4,673	9,655
Lebanon			3,005	3,024	2,923	8,952
Great Britain		735	5,899			6,634
Albania		3,071				3,071
Romania					2,891	2,891
Armenia	943	378	536	135		1,993
Cape Verde				1,600		1,600
Georgia		490				490
Uzbekistan				320	20	340
Moldova			29			29
Lithuania			20			20
Total	174,586	866,340	1,172,687	1,261,620	1,147,497	4,622,730
MY 2001/2002	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Jul-Nov 01
Total	7,323	146,187	557,321	708,398	659,105	2,078,334

Data source: State Statistics Committee of Ukraine via Ukragroconsult Ltd.

Barley PSD Table

PSD Table						
Country	Ukraine					
Commodity	Barley				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	3690	3689	3900	3921	4300	4150
Beginning Stocks	761	386	846	471	1266	974
Production	6872	6872	10200	10186	10500	10350
TOTAL Mkt. Yr. Imports	29	29	20	20	20	20
Oct-Sep Imports	14	29	20	20	20	20
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	7662	7287	11066	10677	11786	11344
TOTAL Mkt. Yr. Exports	1016	1016	2800	2803	4000	3700
Oct-Sep Exports	1479	1479	3150	2948	4000	3700
Feed Dom. Consumption	4200	4200	5200	5100	5100	5200
TOTAL Dom. Consumption	5800	5800	7000	6900	6600	6700
Ending Stocks	846	471	1266	974	1186	944
TOTAL DISTRIBUTION	7662	7287	11066	10677	11786	11344

Barley Exports from Ukraine in July-November 2002

	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Jul-Nov 2002
Saudi Arabia		186,721	303,509	154,760	139,459	784,448
Tunisia		27,500	76,479	54,725	54,372	213,076
Morocco	25,698	48,492	31,110	15,971	15,045	136,315
Cyprus			49,938	26,257	22,237	98,432
Algeria	6,325	19,648	47,146	3,309		76,428
Israel	8,245	40,379	7,084	11,757	6,383	73,848
Japan		10,176	14,601	3,409	40,125	68,311
Syria	11,050	21,392	14,608			47,050
Spain				29,546	5,857	35,404
Kuwait		27,749				27,749
Hungary			16,275	4,240	2,981	23,496
Libya	4,450	11,562		6,283		22,295
Kuwait				22,254		22,254
Switzerland	3,076	2,943			16,118	22,137
Italy			14,853			14,853
U.S.A.			10,935	3,103		14,038
Estonia	5,971	2,271	4,057	462	233	12,993
Slovakia		1,162	6,567	3,475	1,449	12,652
Malta			7,265			7,265
Greece			2,880			2,880
Belarus			57	273		329
Austria				168		168
Lithuania		122				122
Netherlands				21	61	82
Moldova			2			2
Total	64,814	400,118	607,365	340,012	304,320	1,716,629
MY 2001/2002	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Jul-Nov 2001
Total	34,698	326,595	379,391	398,549	433,269	1,572,503

Data source: State Statistics Committee of Ukraine via Ukragroconsult Ltd

Corn PSD table

PSD Table						
Country	Ukraine					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		10/2000		10/2001		10/2002
Area Harvested	1279	1279	1150	1123	1200	1190
Beginning Stocks	267	250	944	704	924	623
Production	3848	3848	3600	3641	4000	4170
TOTAL Mkt. Yr. Imports	26	3	30	18	30	10
Oct-Sep Imports	26	26	30	18	30	10
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	4141	4101	4574	4363	4954	4803
TOTAL Mkt. Yr. Exports	397	397	350	340	300	550
Oct-Sep Exports	397	397	350	340	300	550
Feed Dom. Consumption	2200	2500	2700	2900	3000	3000
TOTAL Dom. Consumption	2800	3000	3300	3400	3600	3550
Ending Stocks	944	704	924	623	1054	703
TOTAL DISTRIBUTION	4141	4101	4574	4363	4954	4803

Corn Exports from Ukraine in October -November 2002

	Oct-02	Nov-02	Oct-Nov 02
Algeria		17,533	17,533
Estonia	6,498	5,961	12,459
Belarus	5,291	7,150	12,441
Lithuania	3,911	5,655	9,566
Russian Federation	612	7,390	8,002
Libya		6,658	6,658
Israel	2,942	3,293	6,235
Egypt	2,811		2,811
Latvia	313	1,602	1,915
Armenia	842	509	1,351
Azerbaijan	804	107	911
Total	24,023	55,858	79,882
MY 2001/2002	Oct-01	Nov-01	74,361
Total	14,574	44,357	58,930

Data source: State Statistics Committee of Ukraine via Ukragroconsult Ltd

Rye PSD Table

PSD Table						
Country	Ukraine					
Commodity	Rye				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	637	638	900	879	800	750
Beginning Stocks	100	51	122	75	280	256
Production	966	968	1800	1823	1400	1510
TOTAL Mkt. Yr. Imports	17	17	2	2	5	5
Oct-Sep Imports	7	7	0	0	5	10
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	1083	1036	1924	1900	1685	1771
TOTAL Mkt. Yr. Exports	1	1	294	294	200	350
Oct-Sep Exports	1	1	308	350	200	350
Feed Dom. Consumption	100	50	100	100	100	100
TOTAL Dom. Consumption	960	960	1350	1350	1275	1230
Ending Stocks	122	75	280	256	210	191
TOTAL DISTRIBUTION	1083	1036	1924	1900	1685	1771

Oats PSD Table

PSD Table						
Country	Ukraine					
Commodity	Oats				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	481	481	600	559	600	500
Beginning Stocks	59	60	66	66	66	85
Production	881	880	1100	1116	1000	940
TOTAL Mkt. Yr. Imports	0	0	0	0	0	0
Oct-Sep Imports	0	0	0	0	0	0
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	940	940	1166	1182	1066	1025
TOTAL Mkt. Yr. Exports	34	34	60	47	50	30
Oct-Sep Exports	50	50	50	34	50	30
Feed Dom. Consumption	700	700	900	900	800	800
TOTAL Dom. Consumption	840	840	1040	1050	950	930
Ending Stocks	66	66	66	85	66	65
TOTAL DISTRIBUTION	940	940	1166	1182	1066	1025